

TO: Interested Parties
FROM: Hart Research and ALG Research
DATE: July 26, 2021
RE: New Hampshire Survey on Biden Tax Proposals

From July 10 to 14, 2021, Hart Research Associates and ALG Research conducted a telephone survey among 401 registered voters in New Hampshire on behalf of Americans for Tax Fairness (ATF). The survey's margin of error is ± 5.0 percentage points. This memo reviews the survey's key findings.

OVERVIEW:

- **Ensuring that the wealthy and corporations pay their fair share in taxes is a top priority for New Hampshire voters today, even ahead of important goals like rebuilding infrastructure or creating jobs.**
- **Voters in New Hampshire see the progressive revenue measures in President Biden's American Families Plan as a strong reason to support the plan (64% more favorable).**
- **Biden's proposals to raise taxes on those making over \$400,000 meet with wide approval (62%) in New Hampshire, including his proposal to tax capital gains at the same rate as income from wages (64% support). More New Hampshire voters believe that raising taxes on those earning over \$400,000 will *help* the economy (53%) than hurt it (22%).**
- **Increasing the corporate tax rate to 28% is embraced by 56% of New Hampshire voters, who also favor taxing foreign profits at 28% (67%), setting a minimum corporate tax rate of 15%, and taxing stock buybacks.**
- **New Hampshire voters would go even further than President Biden in raising taxes on the wealthy, embracing proposals to establish a wealth tax (71%), expand the estate tax (55%), and eliminate "dynasty trusts."**
- **Unaffiliated voters are particularly motivated by tax fairness concerns, and consistently support progressive tax policies at a higher level than the electorate overall.**

DETAILED FINDINGS:

Ensuring that the wealthy and corporations pay their fair share in taxes is a top priority for New Hampshire voters today, even ahead of important goals like rebuilding infrastructure or creating jobs.

- **Two in five (40%) voters in New Hampshire believe that ensuring that the wealthy and corporations pay their fair share in taxes is an extremely important priority**

today. This exceeds the proportions who feel that reducing the national debt (35%), rebuilding infrastructure (33%), or creating jobs (31%) are similarly important.

- Tax fairness is the highest priority tested for registered Democrats (52% extremely important) and unaffiliated voters (42%), and is also extremely important to 23% of Republicans (about the same as creating jobs). Women (45%), voters 60 and older (45%), and white non-college women (42%) all rank tax fairness as their number-one priority.

Voters’ Priorities for Congress and President Biden

	<u>Extremely Important</u> %
Ensuring the wealthy and corporations pay their fair share in taxes	40
Reducing the national debt	35
Rebuilding America's infrastructure	33
Creating jobs	31
Expanding the use and development of clean energy	29
Expanding access to affordable child care	23

Voters in New Hampshire see the progressive revenue measures in President Biden’s American Families Plan as a strong reason to support the plan.

- New Hampshire voters favor the American Families Plan by a strong 27-point margin, 63% to 36%, including a remarkable 48-point margin among unaffiliated voters (74% to 26%).
- Fully 64% of voters say they feel more favorable toward President Biden's American Families Plan when informed that the plan “would raise nearly \$4 trillion from corporations and the wealthy.” Far from producing “sticker shock,” the plan’s ambitious revenue provisions are considered a reason to support the larger plan. Raising \$4 trillion from the wealthy and corporations is enormously popular with registered Democrats (79% more favorable) and unaffiliated voters (73%), and even 37% of registered Republicans have a favorable response.
- By 13 to one, voters prefer funding the American Families Plan by raising taxes on corporations and people earning over \$400,000 (64%) rather than borrowing \$4 trillion and increasing the federal debt (5%).

Biden’s proposals to raise taxes on those making over \$400,000 meet with wide approval in New Hampshire.

- By 62% to 35%, voters support raising taxes on those earning more than \$400,000. This policy receives support from about three-fourths of registered Democrats (74%) and unaffiliated voters (73%), and one-third (33%) of registered Republicans. Large majorities of voters of all ages, men and women,

and white non-college voters support higher taxes above the \$400,000 income level.

- By a 31-point margin, voters think raising taxes on those earning over \$400,000 would help the economy (53%), rather than hurt it (22%).

Raise Taxes for Those Earning Over \$400,000		
	<u>Favor</u>	<u>Oppose</u>
	<u>%</u>	<u>%</u>
All Voters	62	35
Women	64	34
Men	60	37
18 to 39	62	33
40 to 59	61	37
60 and older	65	33
White non-college	60	39
White college	62	36
Democrats	74	23
Unaffiliated	73	24
Republicans	33	64

- Two in three (67%) voters favor Biden’s proposal to give the IRS more resources to audit the wealthy and corporations, including 82% of Democrats and 73% of unaffiliated voters. A remarkable 50% of all voters strongly support the measure.
- By a robust 35-point margin (64% to 29%) voters want the top tax rate on investment income (currently 20%) to be raised to match the 37% top rate on wage income for those making more than \$1 million a year. This margin grows to 45 points among pivotal unaffiliated voters (69% to 24%).

Tax Capital Gains at Same Rate as Wage Income (Margin of support – Support minus oppose)	
	<u>Investments Taxed at Wage Level</u>
	<u>±</u>
All Voters	+35
Women	+39
Men	+30
18 to 39	+41
40 to 59	+38
60 and older	+31
Democrats	+55
Unaffiliated	+45
Republicans	0
Non-college whites	+29

- Moreover, a robust attack on the proposal to tax capital gains at the wage level manages to increase opposition by just two points (to 31%) when matched against the case that it is time to close a loophole that allows many millionaires to pay a lower rate than average Americans.

Supporters say that many teachers, factory workers, and other average Americans pay a higher tax rate on their wages than millionaires pay on their investment income. It’s time to close this loophole and end this rigged arrangement. 59%

Opponents say this proposal will nearly double the tax rate on investment income, which will mean fewer new businesses being created, less investment in existing businesses, and a lot fewer jobs being created. 31%

Increasing the corporate tax rate to 28% is embraced by New Hampshire voters.

- Voters support raising the corporate tax rate from 21% to 28% by 56% to 41%. The margin of support is very large among both Democrats (+56) and unaffiliated voters (+23), but it receives modest (23%) support from registered Republicans.

Increasing Corporate Tax Rate to 28%		
	<u>Favor</u>	<u>Oppose</u>
	<u>%</u>	<u>%</u>
All Voters	56	41
Women	56	40
Men	56	41
18 to 39	66	32
40 to 59	52	47
60 and older	55	38
White non-college	52	43
White college	60	40
Democrats	75	19
Unaffiliated	61	38
Republicans	23	75

- When voters consider a debate over the merits of increasing the corporate tax rate, the margin of support grows to 19 points, 55% to 36%. Conservative claims that hiking corporate taxes will make U.S. companies uncompetitive, increase prices, and cost jobs do not prove as persuasive as the case that it will make the tax system more fair and raise revenue for vital investments.

Supporters say it's time corporations paid their fair share—last year fifty-five big corporations paid no federal income taxes. Increasing the corporate tax rate will raise three hundred billion dollars, which could be used to create jobs and make healthcare, elder care, child care, college, and housing more affordable. 55%

Opponents say that increasing the corporate tax rate will make American companies uncompetitive with Chinese and other foreign businesses, increase prices for consumers, and cause businesses to slash jobs, cut wages, and move jobs overseas, costing millions of American jobs. 36%

The voters of New Hampshire would go even further than President Biden in raising taxes on the wealthy, embracing proposals to establish a wealth tax, expand the estate tax, and eliminate “dynasty trusts.”

- Fully 71% of New Hampshire voters support a proposal to apply a 2% tax each year on an individual's wealth above \$50 million dollars, and 3% on wealth above \$1 billion.
- By 64% to 30%, voters would apply a one-time 2.5% tax on an individual's wealth above \$50 million, and 5% on wealth above \$100 million, payable over five years.
- By 63% to 32%, voters favor a millionaire’s surtax that would raise the income tax rate for those earning over one million dollars a year by 10 percentage points.
- A 55%-to-37% majority supports applying the estate tax to estates valued at \$3.5 million or more, instead of the current \$11.7 million threshold.
- When voters are informed about "dynasty trusts" that allow wealth to be passed down to heirs without paying estate taxes, 61% say these trusts should be eliminated while just 34% feel they should be preserved.
- New Hampshire’s critical unaffiliated voters support these measures by even larger margins than the electorate overall.

Proposals to Raise Taxes on the Wealthy (Margin of support – Support minus oppose)				
	Wealth Tax ±	Millionaires Surtax ±	Estate Tax ±	End Dynasty Trusts ±
All Voters	+46	+31	+18	+27
Women	+53	+42	+27	+30
Men	+39	+22	+10	+24
18-39	+46	+24	+23	+34
40-59	+50	+35	+17	+26
60 and older	+47	+35	+18	+27
Democrats	+62	+58	+36	+43
Unaffiliated	+62	+48	+32	+43
Republicans	+5	-19	-20	-11
Non-college whites	+44	+33	+13	+27

In addition to raising the corporate tax rate to 28%, New Hampshire voters endorse other measures to raise revenue from corporations.

- Fully 67% of voters approve of raising the corporate tax rate on foreign profits from 11% to 28% to equal the tax rate on domestic profits.
- A 65% majority supports requiring corporations to pay a minimum tax of at least 15% on their profits.
- By a 40-point margin (65% to 25%), New Hampshire voters endorse a proposal to impose a 3% tax on corporations when they use stock buybacks to distribute profits to shareholders.
- Here again, voters not affiliated with either party voice particular enthusiasm, supporting these tax increases on corporations by higher levels than voters overall.

Proposals to Raise Taxes on Corporations (Margin of support—Support minus oppose)			
	<u>Tax Foreign Profits 28%</u>	<u>Minimum Tax of 15%</u>	<u>Tax Stock Buybacks</u>
	±	±	±
All Voters	+42	+36	+40
Women	+45	+40	+46
Men	+37	+34	+35
18 to 39	+50	+36	+52
40 to 59	+41	+33	+40
60 and older	+40	+46	+36
Democrats	+65	+58	+57
Unaffiliated	+57	+47	+54
Republicans	-8	+1	+2
Non-college whites	+43	+36	+41